



Missouri Strategic Initiative for Economic Growth

Summaries of Initial 11/21/2011 Team and Council Meetings

Strategy Implementation Teams

• Small and Minority Business and Entrepreneurs -----	2
• Foreign Trade -----	5
• Workforce Development -----	8
• Infrastructure -----	13
• Tax/Incentives -----	16
• Marketing -----	20
• Existing Business -----	22
• Technology/Innovation -----	27

Industry Councils:

• Health Sciences and Services -----	30
• Energy -----	34
• Information Technology -----	36
• Biosciences -----	39
• Advanced Manufacturing -----	42
• Financial and Professional Services -----	44
• Transportation and Logistics -----	46

Summary of 11/21/11 Orientation Meeting -----	49
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TO: Small/Minority Business and Entrepreneur Implementation Team
FROM: Mike Downing
RE: 11/21 Meeting Summary
DATE: December 27, 2011

The following is a summary of the first meeting of the Small/Minority Business and Entrepreneur Implementation Team held on Nov. 21 which was convened to address implementation of Strategic Initiative #7 ("Missouri will develop a culture that encourages small and minority business development and entrepreneurship") for the Missouri Strategic Initiative for Economic Growth (SIEG).

In Attendance:

- Private Sector:
 - Mr. Kevin Williams, President, WillCo Technologies, Inc., Kansas City
 - Mr. Michael Pruett, Managing Director, Dynalabs LLC, St. Louis
 - Mr. J. Kent Martin, Owner, Taylor-Martin Group/BridgeBlue, Springfield
 - Mr. Christopher Reynolds, President of Business Development, Intuitive Web Solutions, Springfield
 - Mr. Keith McLaughlin, Senior Vice President, Bank of Missouri, Columbia
- Service Providers/Public/Non-Profit/Institutional:
 - Mr. Max Summers, Interim Director, University of Missouri Extension Business Development Program, Columbia.
 - Dr. Mark Parry, Ewing M. Kauffman/Missouri Endowed Chair in Entrepreneurial Leadership and Professor of Marketing, University of Missouri - Kansas City.
 - Ms. Maria Meyers, Director, UMKC Innovation Center, Kansas City.
 - Dr. James Stapleton, Executive Director of the Douglas C. Greene Center for Innovation and Entrepreneurship, Southeast Missouri State University, Cape Girardeau.
 - Dr. Pete Peters, Director, Innovate Venture Mentoring Service, St. Louis.
 - Ms. Charlene Boyes, Executive Director, Missouri Rural Enterprise and Innovation Center, Truman State University, Kirksville.
 - Ms. Mary Paulsell, Director, Strategic Initiatives and Communications, MU Business Development Program, Columbia
 - Mr. Tim Hayden, Center Director, Center for Entrepreneurship at Saint Louis University, St. Louis
 - Mr. Frank Veeman, Center for Innovation and Entrepreneurship, Northwest MO State, Maryville.
 - Mr. Davin Stephens (on behalf of Mr. James Webb), St. Louis Minority Business Council.

Members not present:

- Mr. Gordon Ipson, Manager of Economic Development, Northeast Missouri Electric Power Cooperative, Palmyra
- Mr. Greg Prestemon, Executive Director, St. Charles County EDC.
- Mr. James Webb, President/CEO, St. Louis Minority Business Council
- Mr. George Pfenenger, Socket, Columbia

Staff and Guests Present:

- Mike Downing, Deputy Director, MO Department of Economic Development

Discussion:

The team provided self introductions. Downing noted that the team makeup attempted to include 50% private sector members, but several invitees declined. The team members are asked to suggest additional private sector members. (There were a few private sector invitees that declined to participate.)

Significant discussion of the team of the key issues facing entrepreneurs and small/minority businesses. Common issues discussed:

- Difficulty in obtaining funding, both debt and equity.
- Difficulty in finding information of all sources in one place.
- Difficulty in hiring qualified workers in key tech fields.

Strategy 7, as developed by Steering Committee:

“Develop a culture that encourages small and minority business development and entrepreneurship.”

Reviewed draft definitions of “small business” and “entrepreneur”:

- Definition of “Small Business” (as defined by SBA):
- Independently owned and operated.
- Organized for profit.
- Not dominant in its field.
- Less than size standards established by SBA based on type of company.

Comments by Team:

- This definition would include about 90% of all businesses; therefore, it is too broad.
- Discussion was to reduce the employment size to a lower number – possibly 50 - for the purposes of this Strategy.
- Definition of “Entrepreneur”: (Carl Schramm, President, Kauffman Foundation) One who undertakes personal economic risk to create a new organization that will exploit new technology or innovative process that generates value to others.

Tactics and Action Steps: The team's assignment is to assess each of the tactics and develop action steps to best implement each tactic. However, if the team determines a tactic requires revision or elimination, it may recommend such action. Chart #1 indicates the tactics, and a draft of action steps for team comment/revision.

Discussion by the team of **Tactic 1** ("Quantify, assess, coordinate and potentially enhance existing support programs."):

- Nearly all the private sector team members were not familiar with most of the resources available by the non-profit and government agencies, or the websites thereof.
- Some gaps of services exist, either by area of the state, type of service/program, or other. There has not been a comprehensive analysis of such gaps performed.
- Missouri SourceLink appears to be the most comprehensive first-stop, all-inclusive directory of programs and services. Discussion that team members should review and comment on the Resource Navigator.

Performance Metrics: Chart #2 provides a draft set of metrics for Strategy 7 that the team should review and comment.

Next Steps:

Team members should:

- Suggest additional private sector members for the team.
- Review the Tactics (Chart #1) to determine if revisions/additions should be made.
- Review/comment on the draft "Action Steps" for each Tactic in Chart #1.
- Review www.MOSourcelink.com and provide comments on whether the Resource Navigator requires improvements.

Downing met with Maria Meyers 12/6 to review the background and function of Missouri SourceLink. Discussion was that all non-profit and public agencies need to make this the umbrella website for small businesses and entrepreneurs; and that everyone should provide a prominent link on their websites.

TO: Foreign Trade Implementation Team
FROM: Ann Pardalos
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Foreign Trade Implementation Team which was convened to address implementation of Strategic Initiative #6 ("Missouri will develop a best-in-class foreign trade initiative") for the Missouri Strategic Initiative for Economic Growth (SIEG).

In Attendance:

- Regina Heise, Director, Kansas City US Export Assistance Center
- Corey Simek, Director, St. Louis US Export Assistance Center
- Kathy Allen Simon, Allen Filters, Springfield
- Dan Ward, Western Forms, Kansas City
- Seung Kim, Professor of International Business (Dept. Chair) and Director of the Boeing Institute of International Business, St. Louis University

Members not present:

- Tim Bannister, VP, Essex Cryogenics, St. Louis
- Brad Bodenhausen, Executive VP, Springfield Area Chamber of Commerce
- Bryce Evans, President, Evans Equipment Company, Concordia
- Bob Newman, SBA, Columbia
- Tim Nowack, Executive Director, World Trade Center, St. Louis
- Rhonda Ruark, General Manager, Corporate Administration, TG Missouri Corporation, Perryville
- Mary Loretta Wallis, Corporate Relations Manager, Brewer Science, Inc., Rolla
- Dr. Handy Williamson, Vice Provost for International Programs at the University of Missouri-Columbia

DED Staff Present:

- Ann Pardalos

Performance Metrics: The group did not believe that the 4 general performance measures were measures but are actually results of the SIEG. All 8 strategic teams should feed their performance metrics into those results. If each team accomplishes its measures, but they don't translate into the 4 results (i.e. lower unemployment rates), then meeting those performance metrics becomes irrelevant.

Tactics and Action Steps:

Tactic 6.1 should be expanded from just 'universities research faculty' to 'universities' in general and to include all association and contacts.

Tactic 6.1: Formalize a program to leverage the international relationships, associations and contacts of Missouri universities to identify investment and export opportunities in Missouri's targeted clusters.

Actions further edited:

Action 6.1.1: Formulize partnerships with Missouri's public and private research universities to access research, international faculty and programs for discussions on their previous and current network of relationships with US multinational corporations, foreign-based companies, other researchers, government representatives and policy directors.

Action 6.1.2: Maintain a current database of potential prospect companies and other high value business development targets to include contact information; area of research or target sector importance and source of the lead (university link).

Tactic 6.2: Assess the need to launch additional Missouri overseas marketing offices.

Action 6.2.1: Conduct a market assessment of economic analysis of potential countries that would provide the highest transaction flow for Missouri exports and recruitment of foreign direct investment.

Action 6.2.2: In partnership with local and regional economic development organizations, design an awareness campaign to optimize the knowledge and use of its Trade & Investment Offices.

- Note: Develop a one pager on 'who to contact'; marketing campaign through STEP grant program.

Action 6.2.3: DED has applied for grant monies with the Small Business Administration under the State Trade & Export Promotion Grant Program for the purpose of establishing additional foreign offices.

- Note: need to attach performance measures: complete.

Tactic 6.3: Develop a trade alliance to coordinate localized, comprehensive early-stage assistance to Missouri-based companies looking to increase exports to foreign markets.

Action 6.3.1: Identify potential service providers in Missouri that could provide early stage export training to potential exporters.

- Note: engage SBDTC's and execute formal agreement (ex. MOU)

Action 6.3.2: Convene leadership of regional EDOs, top exporting firms and staff of export-assistance and training entities, to develop new alliance's mission statement, goals, performance expectations and potential programmatic components. Brand the statewide alliance; create a website and marketing materials.

- Note: STEP grant training program with SBDTC's as main POC and combine with 6.3.3

Action 6.3.3: Determine the feasibility of opening satellite export-assistance offices or stand-alone centers in Missouri regions without existing support capacity.

Action 6.3.4: Apply for grant monies with the Small Business Administration under the State Trade & Export Promotion Grant Program (Round 2: 2012) for the purpose of establishing physical offices and hiring full-time staff.

- Note: Deletion 6.3.4 as it is addressed in the new action 6.3.2

Tactic 6.4: The DED should provide a statewide international trade information clearing house.

Note: To include: Exporters directory; Foreign office info; Calendar of events; Export finance info; Special events; Sister cities/states; Newsworthy items; Student to develop app.

- This will be completed upon immediate rendering of STEP Grant website.

Next Steps:

- The next action for the group will be to extend the notes developed on November 21st to the full group for further input. An e-mail will be dispersed with a call for input by January 15. Further input will then be dispersed to the entire group for final approval of Actions and Tactics. A meeting will be set at that time to further begin the implementation or next phase.

TO: Workforce Strategy Implementation Team
FROM: Julie Gibson
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Workforce Implementation Team which was convened to address implementation of Strategic Initiative #1 (“Missouri will attract, develop and retain a workforce with the education and skills to succeed in a 21st-Century economy”) for the Missouri Strategic Initiative for Economic Growth (SIEG).

Team Members Present:

- Len Toenjes—Associated General Contractors of St. Louis (CHAIR)
- Brenda Bouse -- East Central College
- Jessica Craig -- Metropolitan Community College, Institute for Workforce Innovation
- Michael Goins—Midwest Data
- Michael Jenkins—Essex Industries, Inc.
- Jasen Jones—Southwest Workforce Investment Board
- Rhonda Jones—Adult Learning Center, St. Louis
- Birdie LaGrand—Nordenia USA
- Zora Mulligan—MO Community College Association
- David Russell—Department of Higher Education
- Bill Thornton – Department of Higher Education (*back-up for David Russell*)
- Missy Wade--EnerSys
- Terrence Walsh—International Association of Heat and Frost Insulators and Allied Workers Union, Local #1

Members Not Attending:

- Keith Gary—Kansas City Life Sciences Institute
- Sharon Hoge—Department of Elementary and Secondary Education
- Ben Jones—City Utilities of Springfield
- Clyde McQueen—Full Employment Council (FEC)
- Leslie Porth—MO Hospital Association
- Marcia Wallace—Empire District Electric Company

Other Participants:

- Nia Ray, MO Workforce Investment Board (MoWIB)
- Glenda Terrill, MO Workforce Investment Board (MoWIB)

Performance metrics:

- To be developed.

Tactics and Action Steps: The group reviewed tactics and action items for each. The group suggested edits and additional action items for all of the tactics, with the exception of 1.2. The edits are underlined – and are still in draft form to be discussed at a later meeting. Need to add a column for noting resources and barriers.

Tactic 1.1: Develop a tuition forgiveness program for qualifying Missouri high school graduates to attend Missouri colleges and universities.

Action 1.1.1: Assemble a meeting of department directors from DED, DESE, and MDHE and high level representatives from MCCA to identify action items for this tactic and name a working group and group lead. **Completed 6/28/11.**

Action 1.1.2: DHE will take the lead on the development of the details of a tuition-forgiveness program, referencing existing best-practice programs from other U.S. states that have proven to be effective and sustainable. In developing criteria for targeting tuition forgiveness, consideration should be given to occupational areas where greatest return on investment can be realized. **Targeted Completion Date: June , 2012**

Action 1.1.3: Launch an advocacy effort to promote the benefits of the tuition-forgiveness program in public venues, the media and among key legislators and opinion leaders. **Targeted Completion Date: December 31, 2013**

Action 1.1.4: Introduce enabling legislation with the chosen programmatic parameters. **Targeted Completion Date: January 1, 2014.**

Action 1.1.5: Identify private sector funding sources in targeted industries to promote public/private partnerships that can result in innovative learning and lower cost education. **Targeted Completion Date: 12/31/2012**

Tactic 1.2: Develop a statewide assessment to measure and certify core competency skills of Missouri's graduating high school seniors. Assessment would be informed by college- and career-readiness criteria.

Action 1.2.1: Assemble a meeting of high level representatives from DED, DESE and MDHE to identify action items for this tactic and name a working group and group lead. **Completed 7/28/11.**

Action 1.2.2: Empanel a Curriculum Committee consisting of key leaders across academia and the private sector to debate and design a training protocol for inclusion in existing coursework or as a stand-alone capstone course for high school seniors. The committee should collaborate with the public workforce system and the two-year colleges to ensure alignment of all assessments (see Action item 1.4.3). **Targeted Completion Date:** March 1, 2012

Action 1.2.3: Conduct outreach to local education providers, elected officials, business people and parents to inform them of the rationale behind, process for, and expectations of the skills-development and assessment process. **Targeted Completion Date:** May 1, 2012.

Action 1.2.4: Develop assessment and Intervention protocols for students not making adequate progress and/or teacher-training to optimize educators' abilities to prepare students in these disciplines. **Targeted Completion Date:** June 1, 2012.

Action 1.2.5: Develop and launch capstone standardized skills-assessment examination to gauge students' aptitude in the skills higher education officials and employers deem necessary for success in both environments. **Targeted Completion Date:** December 1, 2012.

Tactic 1.3: Partner with the state's colleges and universities to ensure students remain in Missouri after graduation.

Action 1.3.1: Assemble a meeting of high level representatives from DED, DESE and MDHE to identify action items for this tactic and name a working group and group lead. In addition, discussion will include whether to combine this tactic with Tactic 1.1. **Completed 7/28/11.**

Action 1.3.2: Identify and promote` current programs to link college and university students and graduates with opportunities in local businesses. **Targeted Completion Date:** March 1, 2012.

Action 1.3.2.a: Identify and promote local business opportunities to engage business.

Action 1.3.3: Feature all current professional job placement openings and internships on a single, easy-to-use website. **Targeted Completion Date:** March 1, 2012.

Action 1.3.4: Brand and aggressively market program(s) and tool(s) to students at all levels (including high schools, career tech) through the media, events and all venues and sites where they visit. **Targeted Completion Date:** March 1, 2012.

Action 1.3.5: Enhance the program by adding components such as a social media engagement campaign, celebrity ambassadors and other elements. **Targeted Completion Date:** March 1, 2012.

Action 1.3.6: Consider tax credits and other incentives for both students and employers hiring the students. Targeted Completion Date: July 1, 2013

Tactic 1.4: Develop optimized and coordinated cluster-based career-training pipelines, protocols and assessments.

Action 1.4.1: Update Competency Models for target industries identified in the Strategic initiative for Economic Growth that will be vetted by industry councils and training providers. Targeted Completion Date: July 1, 2013

Action 1.4.2: Customize the Missouri Connections portal to reflect the state's growing job clusters and target industry sectors. Targeted Completion Date: August 1, 2012.

Action 1.4.3: Introduce, define and provide recommendations for implementing stackable credentials based on competencies to workforce and education partners, the Governor's Office and the Department of Higher Education. **Targeted Completion Date:** December 31, 2013.

Action 1.4.4: Establish partnership between state officials and local and regional training providers to align degree and non-degree, apprenticeship, certification, and credential training programs with curricula to align with the Competency Model assessments based on employer needs. The partnership should also include collaboration building on "Programs of Study" established by DESE to ensure further alignment for competencies. Targeted Completion Date: December 31, 2013.

Action 1.4.5: Consolidate current training database, career-pipeline program inventory and the existing MECH website to create an online tool corresponding to the newly branded jobs.mo.gov web portal. Targeted Completion Date: July 1, 2012.

Action 1.4.6: Increase the skill competency of the available workforce by increasing the number of National Career Readiness Certificates issued to individuals. Targeted completion date: July 1, 2012

Tactic 1.5: Provide a streamlined workforce training incentive for expansion and relocation prospects coordinated through Missouri's community college network.

Action 1.5.1: Continue the process begun in the 2011 Missouri legislative session of securing consensus and approval for modifying existing policies or initiating new policies to support the streamlining of existing workforce development programs to reflect "best practices" of other recognized states and recommendations from participating companies and site

selection consultants (“Compete Missouri” legislation). **Targeted Completion Date:** June 1, 2012

Action 1.5.2: Brand optimized workforce training incentive and incorporate as a critical piece of the state’s internal and external marketing initiatives. **Targeted Completion Date:** August 1, 2012.

Action 1.5.3: Develop training consortium for each targeted industry sector as identified in the SIEG. **Targeted Completion Date:** July 1, 2013

Next Steps:

The next meeting date is scheduled for January 10, 2012.

TO: Infrastructure Implementation Team
FROM: Mike Heimericks
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Infrastructure Implementation Team which was convened to address implementation of Strategic Initiative #8 ("Missouri will provide the infrastructure necessary for companies and communities to be successful") for the Missouri Strategic Initiative for Economic Growth (SIEG).

In Attendance:

Dan Ross (Chair)
Tracy Brantner
Jim Contratto
Doug Hermes
David Human
Andrea Kliethermes
Bob Miserez
Scott Emmelkamp
Council)
David Nichols
Damon Porter
Clark Thomas
Tim Rickabaugh
Andy Papen
Mike Heimericks

Unable to Attend:

Sharon Gulick
Tom Bliss
Larry Frevert
John Langa
Bob Niemeier
Bridgette Williams
Joseph Blanner
Talia Jackson (Financial/Professional Services
William Cook

The meeting agenda and Team Strategy document were handed out prior to the start of the meeting. All present Team members were asked to give a brief introduction about themselves and the organization they represent. During the introductions Dan Ross, Executive Director of the Missouri Municipal League, was introduced as the Chairman of the Infrastructure Team.

The role of the Team Champion, Mike Heimericks, was also discussed along with available DED resources.

The initial part of the meeting was used to review and discuss the purpose of the Infrastructure Implementation Team. The Team Strategy document outlining the Tactics identified by the Steering Committee was reviewed. The need to develop performance metrics for each Tactic was stressed. The process for reviewing, evaluating, adjusting and tracking the progress of the individual Tactics was also discussed. The Missouri Broadband Now Tactic was used frequently during the meeting to discuss the linkage with the Planning Tactic, project prioritization and Funding Tactic.

The second half of the meeting was used to discuss, and to begin to reach an agreement on, the overall goal of the Infrastructure Implementation Team section of the state plan. As part of the process the definition of “Infrastructure” was reviewed. The need to broaden the definition to include broadband, data centers, energy availability/capacity, etc. was briefly discussed. A Team consensus on the definition of a “High Impact Infrastructure Project” still needs to be reached. The recommendation has been made to keep it as broad as possible.

The lead issue discussed for the remainder of the meeting was the tactic calling for the development of a state-funded Infrastructure Bank to fund “high impact projects”. Team members identified two existing infrastructure funding programs within state government. They are the Missouri Department of Transportation (MoDOT) Infrastructure Bank Program, and the Missouri Development Finance Board (MDFB) MIDOC Program. These two programs can be used as a starting point as the Team looks into the implementation of Tactic 8.2. The Steering Committee also recommended that the Team look into the California Infrastructure Bank as a possible model. Prior to our next meeting Team members have been asked to review the California Infrastructure Bank web site.

The completion of “High Impact Projects” was discussed using Missouri Broadband Now as an example. Once a project has been selected as “High Impact” public and/or private funding can be used as a means to complete it. The private sector will require a return on their investment (ROI) for participating in the project. Public funds may be used to help complete parts of the project that meet individual program requirements/objectives. From the perspective of state funds being used a definition of acceptable ROI needs to be developed. The public funding definition of ROI might include leveraging other funding sources, public impact/safety and completion of high impact projects. While the private sector participates in funding the completion of projects that meets their internal ROI requirements. In order for Missouri Broadband Now to reach their goal both public and private funding will be needed.

The meeting was adjourned at 3pm.

Next Steps:

- Finalizing the overall Infrastructure Team goal
- Define “High Impact Projects” and Return on Investment (ROI) as it relates to the Infrastructure Bank Tactic

Begin to review each Tactic, develop action steps and assign lead organization responsible for implementation

TO: Tax Incentives Implementation Team
FROM: Chris Pieper
RE: 11/21 Meeting Summary
DATE: December 7, 2011

The following is a summary of the first meeting of the Tax Incentives Implementation Team which was convened to address implementation of Strategic Initiative #3 (“Missouri will optimize its tax, incentive and regulatory policies to best support the growth of high-value target sectors”) for the Missouri Strategic Initiative for Economic Growth (SIEG).

Members:

- Peter Czajkowski, Stifel Nicolaus & Company, Inc. (Chairman)
- Joel Allison, Missouri Department of Revenue
- Brian Grace, SNR Denton US LLP
- Sen. Jolie Justus, Missouri State Senator
- Tracy King, Missouri Chamber of Commerce and Industry
- John Mehner, Cape Girardeau Chamber of Commerce
- Ryan Mooney, Springfield Area Chamber of Commerce
- David Queen, Gilmore and Bell
- Melissa Randol, Missouri School Boards Association
- Brian Schmidt, Missouri Wonk (formerly with Joint Legislative Committee on Tax Policy)
- Brien Starner, Blue Springs EDC
- Mike White, White Goss Bowers March Schulte & Weisenfels

DED Staff:

- Sallie Hemenway, Director, Division of Business and Community Services
- Jason Zamkus, Legislative Liaison
- Chris Pieper, General Counsel

Meeting Notes:

The purpose of the meeting was to review and affirm that the action steps provided would result in the prescribed tactic and then to develop more detail in each of those action steps including performance metrics to measure progress.

The Tax Incentives Implementation Team is assigned two tactics:

3.1 - Streamline and optimize existing tax credits per the recommendations of the Economic Development subcommittee of the Missouri Tax Credit Review Commission

3.2 – Work with Missouri’s border states to one day formalize non-compete policies designed to prevent incentivizing the moving of companies within bi-state metropolitan areas.

Tactic 3.1 - Streamline and optimize existing tax credits per the recommendations of the Economic Development subcommittee of the Missouri Tax Credit Review Commission

Tactic 3.1 has one recommended Action:

- 3.1.2 – Promote Compete Missouri for the 2012 session with particular attention to “lessons learned” from the 2011 legislative session.
- Action affirmation:
 - The team agreed that the action listed as 3.1.2 is appropriate and necessary to accomplish the tactic listed as 3.1.

There is general consensus from the team that the proposed legislation known as Compete Missouri remains representative of the goals of not only the Tax Credit Review Commission, but the professional economic development community, community colleges, and related professional service organizations, as well. The language as written with perhaps only slight modifications is the correct manner in which to provide simplicity, efficiency, ease of understanding, competitiveness, and return on investment for incentives used to stimulate business development (job creation and private investment).

Additional detail Action 3.1.2:

- In order to develop more detailed action plans to implement the Compete Missouri legislation, the team identified a number of existing barriers to its passage, including:
 - Requires tie to tax reform in Senate and tax reform contains program caps and changes to programs with large constituencies: Historic Preservation and Low Income Housing Tax Credits;
 - There is a lack of understanding and appreciation of Compete Missouri by members of the House;
 - There is some opposition to eliminating the BUILD program in Compete Missouri;

- Projects that failed to materialize as anticipated and surrounding criticism of DED caused a lack of support for economic development legislation and particularly up front funding;
- Other legislation and its accompanying lobby drowned out Compete Missouri in both Chambers.

The team also identified the strengths of the legislation:

- Broad organizational support;
- Rural legislative support when combined with other legislative proposals that are heavily urban focused (such as Aerotropolis).

The team recommends the following action steps to be completed in 2012-2013:

Deploy a 2-year strategy for passage of Compete Missouri.	Lay groundwork with leadership of House and Senate.
	Determine House and Senate sponsors.
	Accept and promote legislation tied to tax credit reform in Senate.
	Create statistics and list of projects that clearly show the need for the legislation.
	Schedule regional roundtables to re-introduce legislation to statewide constituencies and to legislators.
Manage expectations	Summarize DED's participation in projects that failed to materialize project and be prepared to explain why/how this legislation is/isn't related.
	Enlist team of Compete Missouri "ambassadors" to testify, communicate with legislature, and "shepherd" the bill.

Tactic 3.2 - Work with Missouri's border states to one day formalize non-compete policies designed to prevent incentivizing the moving of companies within bi-state metropolitan areas

- Tactic 3.2 has four recommended Actions.
- Action affirmation: The team discussed the tactic and actions associated with a non-compete policy designed to prevent incentivizing the movement of companies within bi-state metropolitan areas. The general consensus of the group concluded that no actions would result in the desired outcome. The following summarizes some of the key positions stated during the conversation:
 - There may be too many variables at play that would prevent the success of any legislation (i.e. available office space; low lease rates; current economy);
 - In some cases, competition among states may result in healthy economic impacts;
 - Missouri should start with a non-compete policy for economic development organizations to achieve compliance within the state of Missouri (e.g. St. Louis City/St. Louis County);
 - The Directors of the respective state economic development agencies should meet to determine if a staff policy may be implemented to begin collaboration first at the staff level;
 - Any piece of legislation may send the wrong message to businesses;
 - Missouri has just announced two projects that plan moves from Kansas to Missouri;
 - The Compete Missouri bill includes a retention component that could help entice a business to remain in Missouri.

The team recommends:

- No action should be taken on Tactic 3.2 at this time.

Next Steps:

- Establish conference call meeting schedule
- Provide additional information to members regarding Compete Missouri
- Provide opportunities for input on modifications to the proposed action steps
- Determine person(s) responsible for proposed action steps
- Determine and secure resources necessary to accomplish proposed action steps
- Establish timeline for implementation of proposed action steps

TO: Marketing Implementation Team
FROM: Christopher Chung
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Marketing Implementation Team (MIT) which was convened to address implementation of Strategic Initiative #5 (“Aggressively market Missouri to select domestic and international audiences”) in the Missouri Strategic Initiative for Economic Growth (SIEG).

The MIT first met together on November 21, 2011, in Jefferson City. Present at the first meeting were the following team members, as well as their relation to Strategic Initiative #5:

- *Bernie Andrews – Columbia REDI / Vice President of Economic Development; Member of Missouri Partnership Advisory Council*
- *Josh Beck – Community EDGE / Principal; Current co-chair of Missouri Economic Development Council Marketing Committee*
- *Lori Becklenberg – St. Louis RCGA / Director of Business Recruitment; Current co-chair of Missouri Economic Development Council Marketing Committee*
- *Whitney Bodenstab – University of Missouri / Marketing and Communications Specialist*
- *Victor Franklin – Mercer Consulting*
- *Veronica Gielazauskas – MERIC / Marketing and Research Manager*
- *Steve Johnson – St. Louis RCGA / Sr. VP of Economic Development; Member of Missouri Partnership Advisory Council*
- *Mark Kaiser – State of Missouri Office of Administration / Director of General Services*
- *Gary Laffoon – Missouri CORE / Executive Director; Former site selection executive for Wal-Mart Distribution*
- *John Mehner – Cape Girardeau Chamber of Commerce / President and CEO; Member of Missouri Partnership Advisory Council*
- *Don Meyer – University of Missouri / Adjunct Professor, Marketing; Former VP-Marketing at Anheuser-Busch and VP-Marketing at St. Louis RCGA*
- *Greg Williams – University of Missouri / Director of Research Parks; Former member of Missouri Partnership Advisory Council*

The following individuals were unable to attend the first MIT meeting, due to schedule conflicts:

- *Bob Marcusse – Kansas City Area Development Council / President and CEO; Member of Missouri Partnership Advisory Council and Statewide Steering Committee for Strategic Plan.*
- *Ryan Mooney – Springfield Area Chamber of Commerce / Sr. VP of Economic Development; Member of Missouri Partnership Advisory Council*
- *Troy Nash – Zimmer Real Estate / Vice President and Director of Public Sector Consulting*
- *Greg Nook – JE Dunn Construction / Executive VP of Sales and Marketing; Immediate past chairman of Missouri Partnership Board of Directors*
- *Matt Shocklee – Global Strategic Outsourcing Services (GSOS) / Owner ; Chair of International Association of Outsourcing Professionals Midwest Chapter*

Following a background presentation on the Missouri Partnership's role in helping market the state for new business investment, as well as an assessment of the Partnership's marketing efforts as part of the SIEG development process, members of the MIT discussed potential performance metrics to measure the successful implementation of Strategic Initiative #5. The recommendation of the team members was to establish the following metrics:

1. Number of deals in the Missouri Partnership recruitment "pipeline", specifically those deals that has been sourced at the state level (as opposed to being sourced by regional or local partner organizations). The goal would be to see an annual increase in this metric.
2. Perception of Missouri among surveyed C-level corporate executives/business owners, as well as among site selection consultants. The goal would be to see an increase in this metric over the timeframe between perception surveys.
3. Support of the Partnership's marketing efforts as measured by a survey of its investors and stakeholders (e.g. local partners), similar to how regional economic development organizations measure their efforts. The goal would be to see an increase in this metric between annual surveys of investors and stakeholders.

As part of the background presentation, the Partnership showed MIT members the recommended specific tactics and action items in the SIEG. The Partnership also presented information on how it has addressed each of those action items to date. (All action items are "Complete" currently, though a number of these items require re-visiting on an annual basis for continued implementation.)

Tactic 5.1 ("Review/optimize existing marketing programs") will need to be modified to include a new action item, specifically an annual survey of Missouri Partnership investors and stakeholders to gauge their level of satisfaction with the Partnership's marketing efforts.

**Existing Business Development Implement Team
November 21, 2011**

Greg Kindle, Chair

Terry Maglich, Champion

What can we do as government, regional and local resources to assist existing business to grow in Missouri? How do we keep them here? What tools do we need to do so?

- Actions to develop a successful Existing Business Communication and Retention Platform
- Add and Revise performance measures and action plan to meet real time business need
- Define progress measures

Attendees:

Pat Bannister, St. Louis Dev Corp

Doug Rassmussen, St. Louis County EDC

Don Holmes, DO- Santifée

Lonna Trammel, Ameren UE

Beverly Stafford, St. Mary's Medical Plaza

Tom Trabon, CPA – Chair on Business Retention and Expansion team KC

Gary Sage, KCEDC

Russell Runge, City of Mexico

Lee Langerock, Nodaway County Economic Development

Rob Dixon, Springfield Chamber of Commerce

Greg Kindle, KCPL –MEDC Business Retention committee – Committee Chair

Bill Brown, Spectrum Consulting Group LLC

D. Mitch Robinson, Cape Girardeau Area MAGNET

Becky Steele, retired- workforce Investment Board

Terry Maglich, group champion

What are we using as a measure of business retention today? What can we do on a State – wide level?

KC BEST Initiative	Business Expansion Support Team	Added Additional staffing
KC Best Study	Benchmark – business climate Resource and Comparison	Aggregated at the sub-city level surveyed yearly
	External consultancy developed Sales Information Development	Confidential or requested response

Synchronist and comp Eric Canada tools	Q&A strategy and global tools for communication	Done on a local level – requires local input and local/regional response
	tracking industry segment trends and recognizing early warning signs	Comprehensive Retention training utilizing Canada methodology
Baseline Tracking	# jobs, UE, population, start-up#’s, fortune 1000, privately held, key clusters – baseline employment, edu attainment and certifications for key; commercial vacancy rates; county average wage, benefits- medical, assistance, earnings tax, income tax,	Inform strategy around our group – what are the challenges and opportunities around the existing business and industry cluster

Additional Suggestions for Statewide Implementation:

:

Baseline Best Practice – How do we connect	How many economic development groups have defined business retention programs?	Up to the Implementation committee to determine best practice for business retention. Baseline metrics
GIS Capabilities	Private Sector – mapping	Statewide profiling and imaging- infrastructure
Incentive Focus -	Consider developing exclusions for related facilities	Challenge of consequence in consideration
Workforce Measurers with targeted industries	Skills development, analytics, health care workforce development, technology demonstrations	Training and development qualified to meet the needs of existing business redevelopment

ACTION ITEM: Identify and define a tool for State-wide Study to set baseline measure of existing business attitude and activity. (Doug, Gary, Lee, and Rob)

ACTION ITEM: Develop recommendation on statewide measures and best practice benchmarks

Doug Rasmussen, Gary Sage, Rob Dixon and Lee Langerock – meet mid-December

- How do we want to communicate with industry (survey tool)?
- Survey goes out of DED and MEDC surveys economic development groups to gather their input on business retention practices

- Define tool for statewide measure –

What are the tools we have to communicate?

- Video tape Mayor – connect with preferred or targeted industry
- Web-based Portal for regional resources
- How do we something on a mass scale?
- Cold Call?
- Marketing vs Sales
- Set up statewide conference calls = regional economic update
- Create template for the groups to push out
- Tool Box compilation of resources
- Long term – set up challenge grants or competitive grants to set up regional/local networks to develop relationships

Challenge- private business doesn't necessarily know who to contact when they have a need on all levels of community size – how do we change or affect that level of awareness?

Potential Statewide Tools and Indicators:

Business Retention Council	Communication around resource connections	Funding mechanism to create a program with some
Early Warning Network (2007-08)	Resource catalogue Communication	At Risk Components
Locational Info	Reinvestment and redevelopment	Commercial Office/Manufacturing locations available for move
Community Impact Analysis	Conducted by the state	Project specific - requested by local practioner
Strategic focus	Target the big guys or companies with some type of movement (new investment, announced product line) – partner with the plant manager to assist them in making the case for investment in the plant-	Making sure there's resources Help PM's and local ecoddev's make the decision
Intelligence Report:	Help priorities using information in intelligence and media reports	Announcements /Interest – creates a tracking device for local and state teams to use as a conversation point
	Positives and negatives	Set up regional – market information portals
	Strategic visits based on activity	

State provide list of Targeted Cluster Companies –	By community State Headquarter Companies	MERIC has by NAICS
	Companies with more than one Missouri locational presence	Provide to local practitioners for potential cooperative activities within their communities

Best Steps:

Statewide program – What are local/regional best practices?

- Can we catalogue that best-practice?
- Communication resources?
- Tool box of existing resources
- Set up e - room to build on development
- *Can we set up some type of dedicated wiki or common communication tool for MEDC members?*

While almost all economic development agencies indicate they have a retention program, typically its reactive not pro-active. How do we create a Statewide standard and framework that could be utilized and implemented on the micro level?

Community Example: Community creates an integrated communication strategy that includes: Manufacturing Council, ongoing communication, key account visits, networking opportunities and employment reviews.

Regional Example: Development of an Early Warning Network designed to encourage cross communication of all industry resources (economic development, workforce, support services, chambers, commissions, etc)

Measures: Existing Business practice is relationship based. How do we measure? Is there a measure to confirm infrastructure (physical, workforce, education, logistical) to support the longevity of the business?

ACTION ITEM: Benchmark State-wide Retention Program best practices

- Becky and Lee will check notes for findings from 2007-08
- Appointed Committee will catalogue states (Georgia, Pennsylvania, Connecticut, Louisiana)
- Market St. has reported to the state and several communities including benchmark in component. Reach out to communities and Market St. to gather those programs already identified through that work. (preferably at not additional cost)

Assignment for Everyone: Where is Missouri today? Due by December 15th

- Retention and Expansion Activities
- Start-up environment?
 - Not just years one and two – three, four, five
- Incubators – what is the life of incubators what happens to companies that need growth – capital?
- How important or critical is access to risk-capital in retention and expansion?
 - Comment there are tools – are they available

Terry will send an email summary plus questions.... reply to Terry

How do we want to connect – when do we want to get together? Mid January conf call.

TO: Technology/Innovation Implementation Team
FROM: Jason Hall
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Technology/Innovation Implementation Team which was convened to address implementation of Strategic Initiative #4 (“Missouri will invest in technology and innovation to attract, launch, and sustain the growth companies of the future”) for the Missouri Strategic Initiative for Economic Growth (SIEG).

In Attendance:

- Jason Hall
- Dr. Juan Arhancet
- Dr. Jim Baker
- David Chassin
- Dr. Gary Clapp
- Dr. Brian Clevenger
- Jason Dalen (by telephone)
- Sam Fiorello (by telephone)
- Jim Gann
- Dr. Dan Getman (by telephone)
- Dr. Jake Halliday
- Dennis Lower
- Felicia Malter (by telephone)
- Dana Marshall
- Dr. Mike Nichols
- Lyla Perrodin (by telephone)
- Nick Rallo
- Matthew Wood (by telephone)

Members not present:

- Jerome Edwards
- Mark Forbis
- Vicki Gonzalez
- Donn Rubin

Staff and Guests Present:

- Jason Hall, Missouri Technology Corporation
- Stacey Hirst, Missouri Technology Corporation
- Steve Kratky, DED

- Alex Eaton , MOBIO

Performance Metrics:

1. Increase in Research (Public and Private)
2. Increase in equity capital funding
 - Should include how much investment capital is available not just invested.
 - Angel capital data - Center for Venture Research at University of New Hampshire. <http://wsbe.unh.edu/cvr>
 - PriceWaterHouseCoopers MoneyTree report is good source for venture capital results by state.
3. Number of patents issued
 - Metric should be number of patents applied for because patents issued is a lagging metric.
 - Be careful on provisional patents filed.
4. University Spin-Outs
 - This should really be technology company start-ups.
5. Missouri-based SBIR/STTR Grants Won (Phase I and II)

Need to look at national annual leading indices and base metrics on those leading indices.

- Kauffmann Entrepreneurial and New Economy Index
- Milken Institute
- Center for Venture Research at University of New Hampshire.
<http://wsbe.unh.edu/cvr>
- Include questions in Marketing Team survey?

Should also be looking at the number of Ph.D. and Master Degrees earned in Missouri?

- Piggy back on Workforce Team survey?
- University alumni is good source of information

Tactics and Action Steps:

Tactic 4.1: Develop a Science and Technology/Innovation Fund in Missouri to facilitate the creation of best-practice capital-provision, support and infrastructure-development programs and projects.

- Need to determine what types of projects MOSIRA is going to invest in – MOSIRA Blueprint.
- MOSIRA Ideas include:
 - SBIR matching program (MTC has MOTIP program);
 - Crowd source fund;

- Student angel fund to leverage University funding which could tie into mentoring program and business incubation;
- Later stage venture investment fund; and
- Infrastructure investment in specialized lab space or tenant improvement fund which has fast impact and investment stays in state (MTC has MOBEC grant program).

Tactic 4.2: Provide for a research and development tax credit in Missouri.

- Missouri is 1 of 10 to 12 states that do not have a state R&D tax credit.
- Important for Missouri to be able to compete with other states.

Tactic 4.3: Provide an Angel investment tax credit in Missouri.

- Need entire continuum of investment from angel to later stage.
- Roll angel funding into another angel fund that is not subject to capital gains tax in order to keep investing – would pay taxes when you ultimately withdraw the investment.
- Need fund to concentrate on IT industry.
- Missouri crowd sourcing technology fund.

Tactic 4.4: Attract federal and non-profit research centers and institutions to Missouri.

- Requires large investment by state.

General Comments:

- Need a toolkit for Innovation/Technology companies for all stages and types of companies.

Next Steps:

- Team members email to Stacey Hirst by December 16th their program ideas for the innovative toolbox.
- Team will convene for another teleconference in early January 2012 to discuss results.

TO: Health Sciences and Services Industry Council
FROM: Lynne Shea
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Health Sciences and Services Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

Team Members Present:

Dr.	Brent	Bates	Vice President, Educational and Student Support Services	State Fair Community College	Sedalia
Ms.	Mary	Becker	Senior Vice President of Strategic Initiatives and Communications	Missouri Hospital Association	Jefferson City
Dr.	Karen	Edison	Co Director Center for Health Policy	University of Missouri, Center for Health Policy	Columbia
Ms.	Cary	Hobbs	Senior Vice President Business Integration	Centene Corporation	St. Louis
Mr.	Kenny	Jackson	Legislative Affairs	MO State Medical Association	Jefferson City
Ms.	Nancie	McAnaugb	MSW, Project Director	University of Missouri, Center for Health Policy	Columbia
Dr.	Richard	Oliver	Dean, MU School of Health Professions	MU School of Health Professions	Columbia
Dr.	William	Peck	Director, Center for Health Policy	Washington University	St. Louis
Mr.	Robert	Puskas	President	Traxxsson LLC	St. Louis
Ms.	Carrie	Sherer	Government Analyst	Cerner Corporation	Kansas City
Ms.	Jo	Stueve	Executive Vice President/Co-Chief Operating Officer	Children's Mercy Hospitals and Clinics	Kansas City
Ms.	Sandra	Van Trease	Group President of BJC HealthCare.	BJC Healthcare	St. Louis
Mr.	Timothy	Van Zandt	RN, MPA Senior Director, Public Affairs	St. Luke's Hospital	Kansas City
Mr.	Brent	VanConia	President	St. Mary's Health Center	Jefferson City

Mr.	Brian	Williams	Vice President, CoxHealth Network and Business Development	CoxHealth	Springfield
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Members Not Attending:

Ms.	Ellie	Glenn	Legislative Liaison	MO Dept. of Health and Senior Services	Jefferson City
Mr.	Jim	Rubin	Chief Financial Officer	Gateway EDI	St. Louis
Mr.	Thomas	McAuliffe	MA, Policy Analyst	Missouri Foundation for Health	St. Louis

Opening:

- Lynne Shea opened with summary of the economic impact of the Health Care Science/Services Sector; its growth during the recent economic downturn and projected growth; discussed the purpose of the group, definition of this sector, and self introduction of group members.

Performance metrics:

- Group concluded we would establish performance measures for each of the three subsets within the Health Care Sciences/Services Sector.
- Council felt it was necessary to assess current healthcare landscape before we created metrics.

Identification of current issues/challenges/obstacles for growth of the industry in MO:

- Strengths:
 - Higher Education Systems
 - Strong network between Community Colleges and 4 year Universities
 - Provider Organizations
 - Geographically spread throughout state, metros border other states
 - Physical capacity of current providers more than adequate (ie number of hospital beds)
 - Robust IT Platform
 - Telemedicine-technology is there
 - PBM-Express Scripts
 - Entrepreneurial Activity is increasing
 - MTC Loan/Seed money opportunities

- Weaknesses:

- Workforce Shortages
 - Need to know where the current workforce is
 - Lack of diversity in workforce/needs to reflect population
 - Limited providers in Rural Areas/Aging physicians
 - MO Baccalaureate graduates
 - Restrictions on advanced practice nurses/Physicians Assistants (this is a legislative issue)
- Health Status
 - High tobacco use/low tax incents this
 - High Obesity/High Type 2 Diabetes
 - Low alcohol tax
 - Lowest spending on public health
- Broadband Service in Rural Areas
- Lack of capital for early stage companies
- Mental Health lack of state support
- Dental Care lack of reimbursements and providers in rural areas
- Opportunities:
 - Coordination of public health care in the rural areas
 - Creative on who is allowed to administer care/i.e. legislative body change provider requirements
 - Example: Alaska and Minnesota have passed legislation creating an elevated dental hygienist to provide general checkups/cleanings, needed in rural areas.
 - Telepharmacy an opportunity to expand
 - Current licensure boards are rigid, need to find creative ways to solve gaps
 - Further expand medical tourism
 - Expand telemedicine-need legislative changes
 - Leverage higher education including distance learning
 - Health Care Information Exchange
 - Need to tap into Federal Funds
 - Accountable Care
 - Bond Capacity is underutilized
 - Need for additional higher education facility to educate our own students, losing to other states
 - Need collaboration between public/private entities to leverage more funds.
- Threats:

- Regulations in Missouri's Healthcare system
 - MO Hospitals are surveyed excessively compared to other states, surveys lack quality
- Healthcare Insurance Exchange
 - Missouri not moving forward due to legislative issues
- Missouri rely solely on provider taxes
 - No state funds for Medicaid
- Mental Health Services
 - State lacks in the delivery, reimbursements and access to services, patients unable to access care needed
- General Aging of Missouri
 - 18 year olds and younger are declining in state
 - Lack of faculty to teach in health care fields
 - Need secondary schools to promote healthcare fields/education

Development of recommendations to resolve the issues noted above:

- To be developed.

Next Steps:

- Establish a virtual meeting (ie Go To Meeting)) in January to set performance metrics for the council by December 9, 2011.
- Establish the in person Spring meeting by December 9, 2011.
- In the meantime, Lynne and Mary Becker work together to find data to back up the SWOT analysis.
- January virtual meeting to establish performance metrics and start formulating recommendations.
- Spring meeting update the SWOT as needed, fine tune performance metrics and recommendations.

TO: Energy Solutions Industry Council
FROM: Mark Russell
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Energy Solutions Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

Team Members Present:

- Warren Wood, Ameren
- Trey Davis, Missouri Energy Development Association
- Kevin Perry, Missouri Energy Initiative
- Deborah Frank, Mo Botanical Garden
- Steve Flick, Show Me Energy
- Peter Pfeiffer, UMC Physics Dept.
- Llona Weiss, Missouri Department of Natural Resources, Division of Energy
- Mark Russell, Missouri Department of Economic Development

Members Not Attending:

-

Performance metrics:

- Will be decided at next meeting with more participation.

Identification of current issues/challenges/obstacles for growth of the industry in MO:

- Aging Energy Infrastructure
- Sub-standard energy efficiency
- Energy Security
- Industry Financing (access to capital)
- Cost Effectiveness of Energy Storage (i.e. pump storage)
- Regulatory Environment & ability to change
- Smart Grid

Development of recommendations to resolve the issues noted above:

- To be developed in future meetings.

Next Steps:

- Other potential recommendations were received for team members.
- Next Meeting: January 13, Show-Me Energy Cooperative, 102 SW State Route 58, Centerview.

TO: Information Technology Industry Council
FROM: Bob Donnelly
RE: 11/21 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Energy Solutions Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

Team Members Present:

Jim	Brasunas	Information Technology Entrepreneur Network
Francis	Chmelir	MOFAST
Jay	DeLong	St. Louis RCGA
Greg	Kratofil	Polsinelli Shughart PC
William J.	Lemon	IT Enterprises
Ron	Nowlin	EaglePicher LLC
Matthew	Porter	Contegix
Jean	Roberson	Appistry
Mark	Showers	RGA Re
Greg	Sullivan	Global Velocity, Inc.
Doug	Young	MO Office of Administration-ITSD

Members Not Attending:

Rachel	Hack	Google Inc.
Cliff	Illig	Cerner Corporation
Joseph G.	Koenig	World Wide Technology
Dave	Robinson	Lockton LLC
Dr. Chi-Ren	Shyu	MU Informatics Institute
Jason	Dalen	The Civic Council of Greater Kansas City
Brad	Pittenger	Xioling, LLC

Performance metrics:

To understand the importance of the IT Industry Cluster in Missouri, several metrics need to be involved; such as, IT jobs by occupation (not just IT creators by NAICS), capital formation, growth and revenues of start-up companies, and the power of the network and IT start-ups in Missouri through ITEN and KCnext.

Identification of current issues/challenges/obstacles for growth of the industry in MO:

- 1) **Current Definition of IT** --- There is no distinction between companies that create technology and those that use IT products and services. The use of NAICS code isn't in itself enough to measure the importance of IT in Missouri. The NAICS code doesn't align with the reality of the industry since there are more IT activities not shown by NAICS codes.
- 2) **IT Programs "Cross – Promotion"** --- ITEN, a St. Louis organization, identified a need for a program that would assist IT start-up companies with a real opportunity to obtain capital funding despite a difficult investment process in St. Louis. Today, after almost four years after inception, ITEN has 250 companies participating in the ITEN process. Kansas City has a similar recently established organization, KCnext, with the goal to create programs using appropriate resources to expand the presence of IT companies and assist IT start-ups in Kansas City.
- 3) **Capital Formation** --- identified as a most pressing challenge for the burgeoning IT community in Missouri. As exciting as the Google Fiber Project is for Missouri, there are no immediate signs of company start-ups in Missouri because start-ups are going to Kansas to take advantage of a tax credit offered in that state. Border states tax credits for start-ups average 36 percent.
- 4) **Large IT Companies Typically Not Instrumental or Involved in Providing Resources to Assist IT Start-ups** --- Large Missouri IT companies have the financial and marketing means to assist smaller / start-up companies; however, there is a lack of communications and networking to bring such companies together.
- 5) **Workforce Shortage** --- Attracting young IT talent is a primary issue. Companies don't understand the new generation of IT workers that have a unique culture and vision of IT. The supply of IT workers varies geographically throughout Missouri and typically don't match the demand and needs of companies. Telework and Telecommuting is changing the landscape of the mobility of IT workers. Are companies adapting to the new generation of IT workers?
- 6) **Rise of Data Centers as a Niche Industry** --- The Data Center niche is experiencing the highest growth of any IT innovation due to "cloud" computing which offers SME's to outsource the delivery of their services. The tax climate for Data Centers in Missouri is anti-competitive compared to adjacent states. Business incentives are Missouri's greatest competitive weakness.

Development of recommendations to resolve the issues noted above:

- 1) **Current Definition of IT** --- Consider a different definition of the IT Industry in Missouri to be modeled and measured instead of using the existing definition which does not encompass the reality of IT presence in Missouri.
- 2) **IT Programs “Cross – Promotion”** --- Elevate communication between St. Louis (ITEN) and Kansas City (KCnext) to coordinate IT Programs and resources beneficial to economic development.
- 3) **Capital Formation** – Angel Tax Credit is one strategy for encouraging more equity into nascent IT.
- 4) **Large IT Companies Typically Not Instrumental or Involved in Providing Resources to Assist IT Start-ups** --- The power of networking is very important to enhancing better communications to bring all IT related companies into conversations to understand and support the IT Industry growth in Missouri.
- 5) **Workforce Shortage** --- Early stage of development of recommendations
- 6) **Rise of Data Centers as a Niche Industry** --- Sales Tax Exemption cited; however, in early stage of recommendations.

TO: Biosciences Industry Council
FROM: Mark Stombaugh
RE: November 21, 2011 Meeting Summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Bioscience Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

A. Council Members;

Present:

- Dr. Eric Gulve, BioGenerator – Chairman
- Ryan Schmidt, Soy Labs/Mexico Plant Science Center
- Duane Simpson, Monsanto
- Mark Bamforth, Gallus Biopharmaceuticals
- Phil Simmons, Sigma Life Sciences
- Mark Linit, MU College of Agriculture, Food and Natural Resources
- Jack Schultz, Bond Life Sciences Center
- Dr. Michael Chippendale, Principal, Chippendale Consulting LLC
- Russell Odegard, Dynalabs
- Jim Anderson, Mobius Therapeutics
- Jason Robertson, CRB Consulting Engineers
- Jessica Winschel, MOBio

Absent-

- Keela Davis, St. Johns Medical research Group
- Kat Wood, SCD Probiotics
- Brent Taylor, Acceleration LLC
- Dr. Joseph Monahan, Confluence Life Sciences
- Dale Ludwig, MO Soybean Association
- Kim Young, Kansas City Area Development Council

B. Summary

The Bioscience Council began with an introductory discussion of the background and experiences of each council member and their roles for their respective organizations. The definition of the Bioscience Industry and specific niches that were identified as a part of the Strategic Initiative for Economic Growth were then reviewed as a reference point.

The following discussion included input on the competitive strengths of each region, matching specific niches, throughout Missouri and provided the overview for what would be explored by the council. That included those areas that were related, but not our specific focus; biomass etc. The delineation of the “niches” became a focus, of which the council suggested a slight modification in how those are viewed. The current core assets in each of these niches should be looked at for their synergies and crossover instead of as independent silos of resources and talent. It was felt the best potential is to play to the strengths of the whole of the Biosciences. The group proposed the Targeted Industry be reflected as interwoven circles;

Council members prioritized appropriate metrics for measuring the growth of the industry in the state. Suggestions included; measuring the amount of public (federal and state) and private capital leveraged, grants issued to fund Bioscience opportunities, and investments made with new jobs created by Bioscience firms. Members felt that quantifying not only the number of professionals in each of the Bioscience fields, but also those that are in the education pipeline. A special emphasis was desired on rate of the Missouri educated professionals garnering employment in the state was of particular interest with discussion on how accurately to track that data. The number of new firms established to perform research, education, or otherwise dedicated to furthering the interest of the Bioscience Industry was identified as great supporting data around any cluster development. With the recent passage of Science and Innovation Reinvestment Act (MOSIRA), the incremental tax revenue generation from the industry would be already captured and measured to support the overall metrics of the targeted industry. A concise list of metrics to be proposed by this Council is to be provided as a follow-up for review and feedback.

The group discussed other state and organizational efforts to support the Biosciences and recommended some best practice research for establishing metrics and creating support systems, industry collaborations, as well as other action items. A review of other efforts will be summarized for the next gathering of the Council.

C. Performance Metrics – *Pending*

- A concise list of metric to be proposed by the Bioscience Industry Council is being created for presentation to Council Chair and then for group input. That will be shared electronically for feedback and approval prior to next meeting to be scheduled in February 2012.

D. Identification of Current issues/challenges/obstacles for growth of the industry in MO; and status of development of recommendations to resolve these. *Pending*

- Current issues and challenges were discussed; however briefly, during the initial meeting. The identification of specific items for the annual report to the steering

committee will be generated after the group reviews and highlights existing efforts to expand and support Bioscience Industries throughout the state. These challenges should be a logical component of the overall discussion of gaps in resources and areas that require attention.

TO: Advanced Manufacturing Implementation Team
FROM: Jason Archer
RE: November 21, 2011 meeting summary
DATE: December 5, 2011

Attendees:

- Dusty Cruise, President, Missouri Enterprise (Chair)
- Linda Greaser, Procter and Gamble, Cape Girardeau
- Terry Henderson
- Rick Lavelock
- Ming Leu
- Dr. Matthew O'Keefe

Members not in attendance:

- Dr. Ashok Agrawal
- Dr. Delbert Day
- Tony Reinhardt
- Dr. Jim Thompson, Dean of Engineering School, University of Missouri Columbia

Problems Identified:

- Supply chain sabotage—threat to critical parts in military supply chains.
- Ability to sustain and maintain—batch orders cause high costs, limits to spread costs.
- Re-use of scrap materials-regulations forcing to do. Landfill prices forcing to explore.
- Mid and small- perception of no assistance- lack of marketing of assistance.
- Energy costs and issues facing the generation of power- power costs and interruption concern.
- Workforce- older, retirements, succession planning.
- Manufacturing not attracting youth- lack of new and highly talented entrants.
- Regulations—especially federal includes keeping up with changes, unaffordable to small.
- Ozone changes were presented as an example that will effect mfg operations.
- Large companies have “environmental engineers” full-time.
- 1 year to 18 months calculated for just environmental permits.
- Mo is not Right-to-Work- effecting attracting new companies.
- Incentive programs perceived not to work for small and midized companies.
- Ex—EEZ, to hire 2 employees and invest \$500k-- Does not cash flow for small mfg.

Proposed Metrics – Advanced Manufacturing

- New companies
- New Jobs—all
- New jobs from existing companies
- Overall manufacturing jobs
- Job growth to economic growth
- University industry collaboration
 - Track projects increase transactions with companies
- Promotion to High School students--% interest in manufacturing

Proposed Actions to Address Problems:

- No discussion as yet.

Next Steps

- Schedule conference call in January – Discuss potential action items.

TO: Financial and Professional Services Industry Council
FROM: David Meyer
RE: 11/21 Meeting Summary
DATE: December 9, 2011

The following is a summary of the first meeting of the Financial and Professional Services Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

Team Members Present:

- Rich Weaver, Missouri Division of Finance
- Marilyn Bush, Bank of America
- Emily Meatte, Stifel Bank and Trust
- Adrian Keller, HNTB
- Elise Ibendahl, CH2M Hill
- Talia Jackson, Burns & McDonnell
- Ann Marie Baker, UMB (conference call)

Members Not Attending:

- Zach Boyers, U.S. Bancorp (CDC)
- Max Cook, Missouri Bankers Association
- Mike Esser, Edward Jones
- Sara Foster, Commerce Bank
- Lynn Whaley Vogel, Vogel Law Offices

Opening:

The members introduced themselves and explained their positions with their companies. Members in general agreed that uncertainty in the regulatory environment was an impediment to growth in the sector overall. While this is mostly a problem at the federal level, this could be a good area for further consideration by the group for any state level issues. Also, it was noted that there was little narrative in the SIEG Final Report about services outside the financial sector.

Performance metrics:

Pending: Since this target cluster has 19.1% of Missouri's GDP, the group thought that this would be a good metric for measurement of progress in this area. Director Kerr suggested that the group should also look at the percentage of this cluster in the U.S. GDP and use that as a good comparison metric. The cluster champion, David Meyer, has inquired of MERIC staff to

ensure that this would be a good metric for the group. MERIC is researching this and the availability of data for comparison will be known shortly.

Identification of current issues/challenges/obstacles for growth of the industry in MO:

Pending: The members that were present will submit goals to the group by December 15, 2011. These goals will involve the strategies to grow this cluster going forward. The goals and recommendations to meet them will be standardized and adopted at the next meeting, which is anticipated in early February 2012.

Some challenges that were discussed:

1. Attraction and retention of talented individuals for these type of jobs in Missouri and the Midwest in general;
2. Broadband is a key infrastructure component for this cluster;
3. Develop a global viewpoint from a Missouri perspective;
4. Entrepreneurial training and diversity initiatives for talent attraction and retention within Missouri;
5. State initiatives such as student loan forgiveness to attract talent;
6. The initiative petition drive to tax professional services would put Missouri at a competitive disadvantage to other states;
7. Infrastructure improvements would lead to more activity across this cluster.

Development of recommendations to resolve the issues noted above:

- To be developed in future meetings.

Next Steps:

Develop strategies to grow this cluster and the metrics to measure economic improvement for this area of the Missouri economy.

TO: Transportation/Logistics Industry Council
FROM: Don Ransom
RE: November 21, 2011 meeting summary
DATE: December 5, 2011

The following is a summary of the first meeting of the Transportation/Logistics Industry Council which was convened to address implementation of the Missouri Strategic Initiative for Economic Growth (SIEG).

Members Attending:

Robert Millstone
Keith Darling
John Kent
Jim Noble
Kevin McIntosh
Ron Achelpohl
Tom Crawford
Wooseung Jang
Ray Mundy

Absent Members:

David Madison, Chair
Ben Jones
Ora Reynolds
Dennis Schoemehl

Performance Metrics:

Early discussions centered upon what data bases exist which show shortages of work force in the various transportation modes in Missouri and filling those shortages. Also, the means of educating local economic development people on early engagement of railroads in the site selection process. Metrics will be further defined after consulting with the absent council members.

Current issues/challenges/obstacles:

1. Diminishing work force in the trucking industry caused by new Federal Regulations based upon driving records, aging driver work force, increase in demand for truck haulage and lack of interest in the upcoming work force in “being away from home.”
2. Difficulty in filling and retaining employees on river barge operations caused mainly by the 28 days out requirements.
3. Lack of funding, private and public, to support the necessary infrastructure to expand transportation opportunities.
4. Failure of economic development people throughout the state to involve railroads in the site selection process in the initial stages to allow for engineering, rate structure and other necessary considerations in order to provide rail service to a specific industry at a specific site.
5. Lack of industry concentration in bio mass technology and opportunities.
6. Failure of expansion at the higher education level of transportation studies leading to carriers in transportation/logistics management.
7. Failure of KCI and Lambert to support each other and cooperate to develop air cargo/freight and serve each other as a backup.
8. Failure of the state to promote Missouri as the most advantageous site for warehousing and distribution centers.
9. Recruiting and competing against other industries for work force.
10. Lack of interest and support for barge traffic on the Missouri River.

Recommendations discussed are as follows:

1. Investigate opportunities on the Missouri River.
2. Educate economic development people about the importance of engaging railroads in the early site selection process.
3. Encourage the three major St. Louis headquartered coal companies into establishing coal trans-loading sites in Jefferson County developing river ports.
4. Seek “earmarks” of funding for higher education to be dedicated to transportation studies.
5. Help KC SmartPort to expand.
6. Offer free or next to free electricity to new distribution centers.
7. Work with MoDOT and local entities and governments to target infrastructure improvements which will help grow freight/transportation/logistics activity.
8. Work to make Missouri the state in which truck companies and drivers will want to do business including internet access and modern stops including relay sites where company drivers can exchange vehicles to return to their origin site in order to enjoy more home time.

9. Develop a strategy to attract people into the transportation industry in order to compete with other industries for work force development.
10. Work to encourage the transportation industry to seek opportunities in the bio mass industry

Next Steps:

- After the above has been circulated among the absent members for review, comment and recommendations a final report will be made.

Strategic Initiative Orientation Session

Prior to our council meeting, there was a briefing held for all 8 implementation teams and 7 industry councils. A [presentation](#) was made by DED Director Kerr on the purpose, process, and actions to date for the Strategic Initiative. For those members that weren't present, a video of Director Kerr's presentation can be found at:

- First half: <http://youtu.be/SlezHWHXBEC>
- Second half: <http://youtu.be/cG1uCUjvlnE>

Governor Nixon's remarks at lunch can be found at: <http://youtu.be/R3kD2Viw6J8>

As indicated in the presentation, all reports, research, surveys, meeting summaries and other information regarding the Strategic Initiative can be found at <http://ded.mo.gov/Strategic.aspx>.